



## **Citizens Advice Scotland Response to Public Accounts Committee Universal Credit inquiry**

**July 2018**

*Citizens Advice Scotland (CAS), our 60 member Citizen Advice Bureaux (CAB), the Citizen Advice consumer helpline, and the Extra Help Unit, form Scotland's largest independent advice network. Advice provided by our service is free, independent, confidential, impartial and available to everyone. Our self-help website provides information on rights and helps people solve their problems.*

*In 2015/16 the Citizens Advice network in Scotland helped over 310,000 clients in Scotland alone and dealt with over one million advice issues. With support from the network clients had financial gains of over £120 million and our Scottish self-help website Advice for Scotland received over 4 million unique page views.*

### **Background**

CAS published the *Learning from Testing Times* evidence report which looked in detail at the experience of the first year of Universal Credit roll out through citizens advice bureaux feedback.<sup>1</sup>

Design challenges highlighted in that report included:

- A six week wait for first payment (now five weeks), together with administrative delays that can make the wait even longer
- Challenges caused by a single monthly payment
- The effect of universal credit sanctions
- Digital access issues
- The rate of direct deductions taken from Universal Credit to repay arrears leaving the client unable to buy the basics
- Very lengthy hold times on calls where our advisors need to talk to DWP staff

There have been a few welcome changes since then, e.g. removal of the seven day waiting period, which have ameliorated some aspects of the negative impacts.

However cases currently being handled by our bureaux show a range of issues causing difficulties for clients, including, still, all of the above. This response focuses on the experiences of Universal Credit claimants and the issues are illustrated in the case reports from our advisors, see Annex A.

CAS are concerned that as roll out progresses these issues will negatively impact more and more clients, increasing rent arrears and use of foodbanks, and will put further pressure on local authority services and third sector organisations. This is why we are calling for a halt to further roll out until the issues are resolved.

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<sup>1</sup> <https://www.cas.org.uk/publications/learning-testing-times>

There is a 'firebreak' in the roll out schedule for July and August 2018. Between September and December there are plans for 10 Scottish local authorities to move into full service. Some of these areas are densely populated and contain the most deprived wards in Scotland. The build-up of cases and crisis situations as we move towards winter and Christmas 2018 could be overwhelming for organisations offering support and advice leaving individuals and families struggling to cope with much of it on their own.

We propose that the 'firebreak' is extended for as long as is necessary to allow the UC Programme to work on improving the IT, design and delivery issues that have been highlighted in the recent NAO report<sup>2</sup> and DWP's own Universal Credit Full Service Survey<sup>3</sup>. We argue that time spent on this now will prove beneficial in the long run all the way through the managed migration phase to 2023.

If the roll out of full service cannot be halted at this point then at the very least the problems need to be fixed before the start of 'managed migration', in summer 2019, when people on legacy benefits begin to be moved onto UC.

While it may be the case that some claimants can manage monthly payments and have the required digital skills to maintain their Universal Credit claim it is also clear that there are a significant number of people who cannot do so. However hard they try there are too many obstacles to claiming for them to overcome without assistance. The current situation is causing needless distress and anxiety for many of our clients.

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<sup>2</sup> <https://www.nao.org.uk/report/rolling-out-universal-credit/>

<sup>3</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/714842/universal-credit-full-service-claimant-survey.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/714842/universal-credit-full-service-claimant-survey.pdf)

**Cases reported by bureaux****Digital Access**

***A CAB client was made redundant in April 2018. She had claimed Universal Credit and knew when her first payment was due however she has not received her payment. She does not have access to a computer, has no previous computer skills, and is unsure what she should be doing with her UC journal.***

***The online claim form for Universal Credit was very difficult as the client does not have access to a computer and has very little knowledge of processes such as 'user name' and 'passwords'. Also the process of opening an e-mail account is completely alien to her and was made especially difficult because her mobile phone is very basic and does not receive e-mail. Consequently the process of receiving and entering her 'Code' before the UC form could be completed is impossible. The client became confused and distressed especially when they do not have any income as benefits have ceased because of the death of a relative who they had been caring for.***

**Sanctions**

***A CAB client has been sanctioned 5 times for a total of 190 days (3x28 days and 1x91 days for failing to do everything possible to find work between specified dates and 1x15 days for failing to attend a meeting at JCP) and is aggrieved that these have all been bundled up together. He argues that the cost of travel between his home and the Jobcentre is prohibiting him from attending meetings, and that his internet access is limited due to him not being able to afford it and it being cut off for periods of time.***

***A CAB client received a sanction of UC for not attending his appointment at the Jobcentre but he had a job interview at that time so went to that instead. He tried to phone the Jobcentre on the morning of the interview but could not get through without waiting a long time to be answered and he had to get to the interview instead. He had only been notified the previous evening of the interview. He has no money and his rent has not been paid***

#### **The wait for first payment**

***A CAB client has been without money for over nine weeks even though she made a claim for UC nine weeks ago. The client cannot use a computer and has to go to another town seven miles away to attend the Jobcentre for assistance with UC claim and accessing her journal.***

***A CAB client called into the bureau as she is struggling to cope with waiting for her first UC payment. The client advises that she had taken three weeks to make the UC application after losing her job as she was unaware that there had been changes in benefits. She had had an advance payment of £317 but due to her having no money for three weeks she had bills to pay as well as having to pay back money that she had borrowed. The client advises that she has no money left for food or electricity before her first UC payment becomes due.***

#### **Direct deduction cases**

***A CAB client is currently on UC and living in temporary accommodation. The client's UC is currently being deducted for APA (housing costs), an advance payment of £29, rent arrears of £31.78 and other payments of £15.89. Previous payments also had a deduction for DWP benefits recovery of £45.91. The client received £241 for the last payment but for previous monthly payments the client received £195. This does not leave the client with enough money each month to afford day to day expenses as well as maintain on going liabilities. The client is a vulnerable adult and is unable to***

***budget on a low income. The client also has to cover a shortfall in rent due to LHA. Due to low income this has not been covered leaving the client £1019 in arrears and at risk of being evicted from temporary accommodation.***

***A CAB client has a large deduction of £47 being taken from his Universal Credit Payments for an old working tax credits overpayment. An advisor from Universal Credit stated over the phone that up to 40% of the standard allowance could be taken for the payment of debt, not restricted by priority or non-priority status. The client is attending an appointment to request a reduction but if this is granted it will be for a maximum of six months, after which the deductions will return to the initial high rate***

### **Hold Times**

CAB advisers have commented on the length of time spent on hold to DWP.

*“We waited 60 minutes before an adviser could speak with us”*

*“On hold with UC for 30 minutes and then cut off. I attempted several times afterwards and again was cut off immediately.”*

*“Waited 50 minutes to be connected to adviser at the Jobcentre and gave up. This meant we were unable to find out why client's case is being reviewed”*

**For more information on CAS work contact:**

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